BEFORE THE PUBLIC SERVICE COMMISSION OF SOUTH CAROLINA

Application of:)
)
Sage Telecom Communications, LLC,)
doing business as Sage Telecom, for a Certificate of)
Public Convenience and Necessity to Provide Local)
Exchange and Interexchange Telecommunications)
Services, for Alternative Regulation, for Flexible)
Regulation, and Jointly with Sage Telecom, Inc. for)
Authority to Complete a Pro Forma Reorganization and)
Assignment of Assets)

MOTION FOR PROTECTIVE TREATMENT AND BASIS FOR FILING EXHIBIT AS TRADE SECRET

Sage Telecom Communications, LLC, doing business as Sage Telecom ("Applicant"), by its attorneys and pursuant to S.C. Code Ann. \$ 39-8-10, et seq., Commission Order No. 2005-226, and all other applicable rules, statutes and regulations, hereby files this Motion for Protective Treatment ("Motion") in the above-captioned proceeding. By this Motion, the Applicant seeks protective treatment by the Public Service Commission of South Carolina ("Commission"), of certain commercially-sensitive financial statements attached as Exhibit 6 filed as a Trade Secret to the Application for a Certificate of Public Convenience and Necessity to Provide Local Exchange and Interexchange Telecommunications Services, for Alternative Regulation, for Flexible Regulation, and Jointly with Sage Telecom, Inc. for Authority to Complete a *Pro Forma* Reorganization and Assignment of Assets ("Application"). Because this Motion is an inseparable part of the Application, it is being filed concurrently therewith.

In support of this Motion, the Applicant provides the following:

1. The exact legal name, address and telephone number of the Applicant is:

Sage Telecom Communications, LLC 10440 N. Central Expressway, Suite 700

Dallas, Texas 75231

Telephone: (214) 495-4700 Facsimile: (214) 495-4899 Toll Free: (888) 449-4940

Website: <u>www.sagetelecom.net</u>

2. Correspondence or communications regarding this Motion should be addressed to:

Bonnie D. Shealy 1901 Main Street, Suite 1200 Post Office Box 944 Columbia, South Carolina 29202

Telephone: 803.227.1102 Facsimile: 803.252-0724 bshealy@robinsonlaw.com

with copies to:

Tony S. Lee, Esquire Fletcher, Heald & Hildreth, P.L.C. 1300 North 17th St. 11th Floor Arlington, VA 22209

Tel: (703) 812-0442 Fax: 703) 812-0486 Email: lee@fhhlaw.com

And to:

Sherri Flatt
Sage Telecom, Inc.
Executive Director, Regulatory Affairs
10440 N. Central Expressway, Suite 700
Dallas, Texas 75231-2228

Tel: (214) 495-4847 Fax: (214) 495-4790

Email: sflatt@sagetelecom.net

I. <u>Description of Confidential Information.</u>

3. The Application requires Applicant to disclose evidence of financial fitness through the submission of documentation of its financial resources and ability to provide the requested service. Since Applicant is a new entity, and as such does not yet have a balance sheet, income statement, or cash flow statement, Applicant submits copies of financial statements of TSC Acquisition Corp. ("TSC"). TSC has committed to provide the financial resources and support necessary for Applicant to continue to provide the services currently offered by Sage Inc. TSC is a privately held company and its financial statements are not public information. These documents contain high confidential and strictly proprietary information, the public disclosure of which may result in direct, immediate and substantial harm to the competitive position of TSC and the Applicant in South Carolina and elsewhere. As a privately held company, TSC does not issue annual reports or submit any financial filings with the Securities and Exchange Commission. Sage LLC respectfully requests that the financial statements disclosed in connection with this Application be filed under seal, solely for the purpose of the Commission's and ORS's review.

II. Grounds for Claim of Confidentiality.

- 4. Applicant and TSC are presently immune from a legal obligation to prepare or submit financial statements, or any other financial information, to any public entity. As such, statements attached as Exhibit 6 to the Application are not readily available to persons external to Applicant and TSC.
- 5. Because the financial statements submitted by Applicant in support of the Application contain confidential and commercially-sensitive information from which its

competitors may derive economic value, Applicant seeks to protect such material from public disclosure. As such, the financial statements are a "trade secret" as that term is used in South Caroline Trade Secrets Act. S.C. Code Section 39-8-20(5). Given this fact, the disclosure of this information could provide existing and potential competitors, including local exchange and interexchange carriers in South Carolina, as well as in other states in which Applicant provides or intends to provide telecommunications service, with an unfair and undeserved competitive advantage.

6. Applicant clarifies herein that its request for protection applies only to the documents attached as financial statements attached as Exhibit 6 to the Application. Applicant is not seeking protection of any type for those reports Applicant is required to file with the Office of Regulatory Staff ("ORS") should the relief sought in the Application be granted: the Annual Report Form, Gross Receipts Report, and Universal Service Fund Worksheet.

CONCLUSION

7. The financial information included in support of Applicant's Application, for which Confidential Treatment is sought, is both proprietary and competitively sensitive. The substantial and direct harm that could be caused to Applicant and TSC as a result of disclosure is real and not speculative. Moreover, to date, no other jurisdiction or governmental agency has required Applicant or TSC to make this information available to the public. For all these reasons, the projected financial statements attached as Exhibit 6 to the Application should be protected from public disclosure the Commission.

WHEREFORE, Sage Telecom Communications, LLC respectfully requests that the Commission grant this Motion for Protective Treatment with respect to the financial statements attached as Exhibit 6 to the Application.

Dated this 20th day of May, 2013.

ROBINSON, McFADDEN & MOORE, P.C.

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Attorneys for Sage Telecom, Inc. and Sage Telecom Communications, LLC

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APPLICATION OF SAGE TELECOM COMMUNICATIONS, LLC

EXHIBIT 6

Financial Information

CONFIDENTIAL & PROPRIETARY FILED UNDER SEAL